Date: February 6, 2006

To: Chairman Randolph, and Commissioners Blair, Downey, Huguenin and Remy

From: Mark Krausse, Executive Director

A. PERSONNEL & BUDGET

The Legal Division has hired two new attorneys. Brian Lau is a recent graduate of McGeorge School of Law where he ranked in the top 16% of his class. He previously worked with the US Small Business Administration doing legal work related to the 2004 Florida hurricanes, and has clerked for the Department of Water Resources. Valentina Doss Joyce is a seasoned attorney who graduated from Southwestern University School of Law in LA. Val has a wide-range of experience in commercial law, litigation management, corporate law and employment litigation.

The legislative budget subcommittees are expected to hold hearings on the Commission's budget in March and early April. I will provide updates on that activity as it occurs.

B. STAFF PROJECTS

Technical Assistance Division Chief Carla Wardlow and I continue to participate in the Secretary of State's Online Disclosure Task Force. The group hopes to complete its work in the coming month and provide its recommendations to the Secretary. I will then present those recommendations to the Commission for input to the Secretary and the Legislature.

The Technical Assistance Division's Trish Mayer presented a candidate and treasurer workshop in Long Beach, Teri Rindahl presented a candidate and treasurer workshop in Santa Clarita and met with the city officials for an outreach the following day, and Kevin Moen provided training at the Northern California City Clerks Association meeting.

The Communications Office is working with Technical Assistance and Enforcement Division staff to plan a March 3 educational seminar for members of the media. At the seminar, staff members will provide a general overview and tips on understanding and interpreting public campaign, lobbying and economic interest filings. The office continues to handle a steady number of media inquiries as well.

C. APPROVAL OF CONFLICT-OF-INTEREST CODES/AMENDMENTS

Pursuant to Government Code section 87300 and Commission regulation 18750.1, state and multi-county agencies seeking to adopt or substantively amend a conflict-of-interest code must submit the proposed code to the Commission for review and approval. The Technical Assistance Division has reviewed and, since the last agenda, I have approved the following conflict-of-interest codes:

California State University (Chancellor's Office and all campuses) South Tahoe Public Utility District

D. FINDINGS OF PROBABLE CAUSE

Pursuant to regulation 18361, I have found evidence in the following cases sufficient to lead a person of ordinary caution and prudence to believe or entertain a strong suspicion that the following respondents committed or caused a violation of the Political Reform Act. This finding of probable cause does not constitute a finding that a violation has actually occurred. The respondents are presumed to be innocent of any violation of the Act unless a violation is proved in a subsequent proceeding.

Priya Mathur and Friends of Priya Mathur, FPPC No. 03/296. On January 27, 2006, probable cause was found to believe that Respondent Priya Mathur, a successful candidate for the Public Agency Member Seat on the Public Employees' Retirement System's Board of Administration ("CalPERS Board") in the 2002 election, and Respondent Friends of Priya Mathur, her controlled committee, failed to timely file two pre-election statements, in violation of section 84225, subdivision (c) of the Government Code (2 counts). Probable cause was further found to believe that Respondent Priya Mathur failed to timely file a 2002 annual statement of economic interests, in violation of section 87203 of the Government Code (1 count).

E. REQUESTS FOR EXTENSION OF COMMITTEE TERMINATION

Commission regulation 18404.1 requires that state-candidate-controlled committees organized for elective state office be terminated pursuant to specified deadlines. Pursuant to the regulation, the following requests for extension of those termination deadlines were submitted to the Executive Director:

Tony Strickland for Assembly (962605) A request for an extension of time to terminate the committee was granted until August 28, 2006.